proposal was later approved by the Share Holders in the E.G.M. held on 02-04-2004 and also was approved by the Hon'ble High Court of Mumbai on 06-05-2004. There is no violation of Share Holders Agreement.

New scheme of BSNL in Rajasthan

732. SHRI SANTOSH BAGRODIA:

SHRIMATI AMBIKA SONI:

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether it is a fact that BSNL had announced a scheme in Rajasthan in October, 2004, under which applicants were offered to pay Re. 1/- towards booking of new telephone connections;

(b) if so, the date from which scheme became effective and how many connections were booked in the last week of October, 2004; and

(c) whether the BSNL staff was fully prepared to meet this huge public demand?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD): (a) Yes, Sir.

(b) The scheme was made effective from October 22, 2004. 4156 connections were booked in the last week of October, 2004.

(c) Yes, Sir.

Proposals from International Telecom Companies

733. SHRI RAJEEV SHUKLA: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether Government have received any proposals from major international telecom companies for setting up of manufacturing facilities in India;

(b) if so, the details of Government's decision in this regard; and

(c) the details of any incentives poposed by Government to promote such investments in manufacturing?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD): (a) and (b) The fast growing telecom sevice sector in India has drawn attention of major international telecom companies for setting up of manufacturing facilities in India. As per the policy, no Government approval is required for setting up of manufacturing unit for the telecom sector.

(b) Some of the international telecom companies have given their recommendations for extending fiscal incentives and removal of certain impediments for the accelerated growth. However, the Government has already provided a number of incentives to promote investment in telecom manufacturing sector. Some of the incentives are:—

(i) 100% Foreign Direct Investment is allowed in this sector under automatic route through Reserve Bank of India (RBI). A technical know-how fee of US $ 2 million and royalty at the rate of 5% far the domestic sales and at the rate of 8% for the export are also allowed under automatic route.

(ii) Electronic Hardware Technology Park Scheme had been modified to boost indigenous telecom manufacturing industry.

(iii) The telecom service operators have been allowed to issue Form 'C' under Central Sales Tax enabling telecom manufacturing industry to avail concessional sales tax benefits.

Sale of sophisticated weapons to Pakistan by U.S.A.

734. SHRI DATTA MEGHE:
SHRI YASHWANT SINHA:

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether the United State has taken a decision to sell sophisticated weapons to Pakistan recently;

(b) if so, the details thereof;

(c) whether this sale of sophisticated weapons by U.S. to Pakistan will 'inevitably impact' the positive sentiments that characterize Indo-U.S. ties;

(d) whether India's concern in this regard has been conveyed to the US Government;